SURFACE INSPECTION COMPLIANCE REPORT

Date of Inspection: <u>March 9, 1995</u>
Case Serial No.: UTU-063447
Operator: Jumbo Mining Company, Drum Mine
Project Description: Cyanide Heap Leach (Non-operational Status)
Legal Description: T. 15 S., R. 10 W., Section 7 (predominantly)
District and Resource Area: Richfield/HRRA
Inspector: Rody Cox, Wayne Hedberg, Tony Gallegos, Lynn Kunzler,
Tom Munson (UDOGM), and Dave Hartshorn (Jumbo)
REPORT NARRATIVE (REFERENCE STIPULATIONS BY NUMBER OR TITLE)

In 1988, Jumbo Mining Company (Jumbo) acquired the Drum Mine from Western States Minerals Corporation (Western States). Subsequent litigation, in Colorado District Court, over the transfer of reclamation responsibility ensued. One of the issues is approximately 55,000 cyd of topsoil to be used for reclamation. The majority of this topsoil was never excavated by Western States, however; the District Court ruled, since Jumbo was aware of this problem during acquisition, they should be responsible for the topsoil.

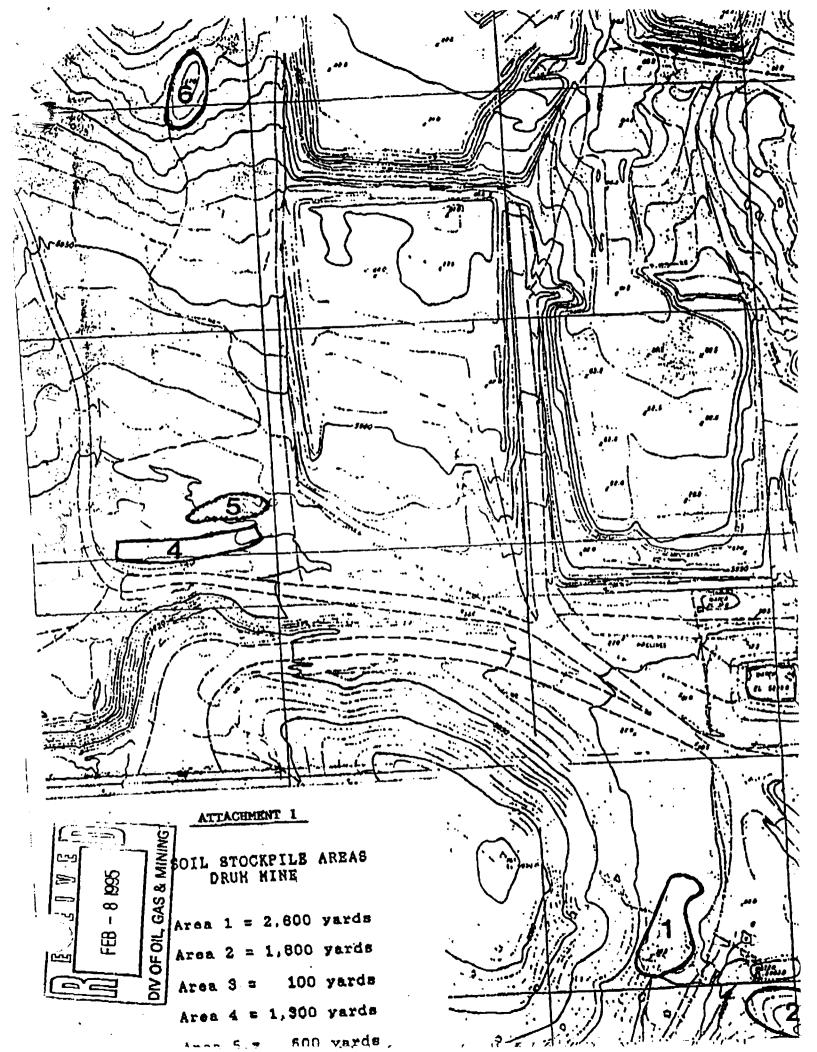
In compliance with the Courts ruling, Jumbo recently contacted the Division of Oil Gas and Mining (UDOGM) and informed them sufficient topsoil exists on the property to make up for the deficit. Jumbo identified this material by trenching and volumetric estimations. The purpose of this inspection was to verify Jumbo's estimates.

Attached is a copy of a map that shows the location of current topsoil stockpiles. Areas 1-6 are current topsoil stockpiles. The total volume of stockpiled topsoil present in areas 1-6 is approximately 8,500 cyds. The map also shows the locations of the trenches, areas proposed for topsoil salvage, the average estimated depth for each of these areas, the acres in each of these areas, and the cubic yards of top soil proposed for salvage associated with each of these areas. Areas A-J are the areas proposed for topsoil salvage. The total volume of topsoil proposed for salvage present in areas A-J is approximately 48,700. The combined total of topsoil would be approximately 57,200 cyds, which exceeds the amount currently required for reclamation (55,000 cyds).

This inspection confirmed that Jumbo's estimates appear reasonable. The "topsoil" is composed of multiple soil horizons and may not be as productive as just the "O" plus "A" horizons. Because these horizons comprise just a thin veneer at this location, Jumbo is justified in proposing to use augmented soil horizons for reclamation purposes. A soil analysis needs to be completed prior to allowing Jumbo to excavate and stockpile the proposed topsoil. It is recommended several analysis be done. At minimum one from each soil horizon and one composite sample from construction fill near the mill and/or process ponds. These analysis will help to identify any soil deficiencies, as well as amendments that may be used to increase productivity, hence facilitate reclamation.

Signature of Inspector

Signature of Authorized Officer



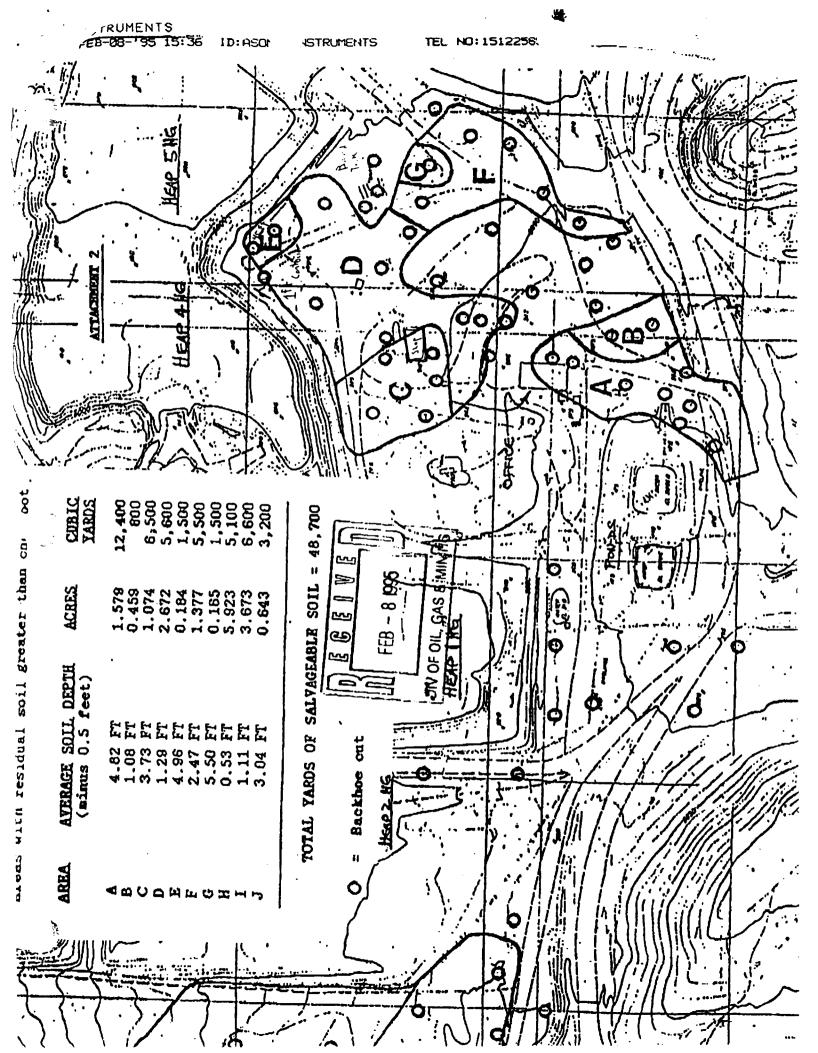
Area 8 = 2, yards

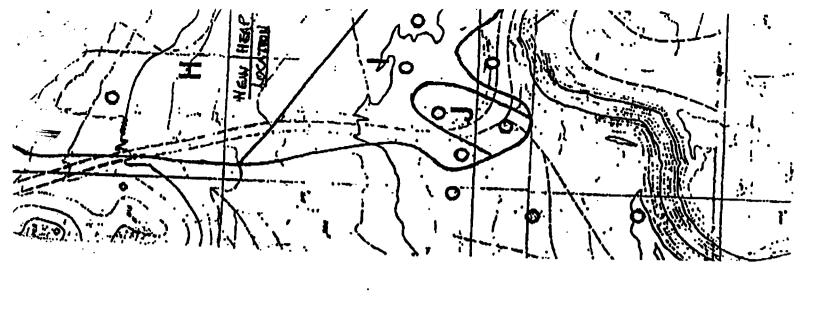
TOTAL = 8,500 yards

1" = 200'

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